

# REDACTED VERSION OF EXHIBIT

## Exhibit 1-L

### Rate Case Support Services



**Pacific Gas and  
Electric Company®**

**Charles R. Middlekauff**  
Attorney at Law

*Mailing Address:*  
P.O. Box 7442  
San Francisco, CA 94120

*Street/Courier Address:*  
Law Department  
77 Beale Street, 830A  
San Francisco, CA 94105

415.973.6971  
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Internet: CRMd@pge.com

January 23, 2019

Morris Jones  
PriceWaterHouse Coopers LLP  
Three Embarcadero Center  
San Francisco, CA 94111-4004

Re: General Rate Case (2020 GRC)  
Matter Number: 1706935

Dear Jones:

This letter covers terms of our legal engagement. We agree that the terms and conditions of your services are covered by the Master Service Agreement (MSA) between Pacific Gas and Electric Company (PG&E) and PriceWaterHouse Coopers LLP, dated .

Your budget for this case is \$750,000. PG&E will not pay your bills if they exceed the budget without advance written approval from the PG&E liaison identified below.

PG&E agrees to pay the billing rate, subject to discounts or payment terms specified in the MSA. These rates remain in effect during the term of this engagement. If you change or add personnel assigned to this matter, you agree to seek our approval in writing within ten (10) days of each change or addition (including different billing rates). No other person is authorized to work on this matter without our approval.

If you and PG&E enter into an alternative fee arrangement for a specific project (*e.g.*, a fixed fee for a motion) or for your remaining work, the arrangement will be separately documented and you will invoice PG&E according to that arrangement.

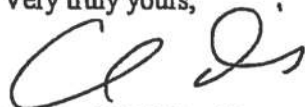
Your PG&E liaison for this engagement is Mary Gandesbery, whose telephone number is (415) 973-0675. Please contact your liaison on any issue that arises during this engagement.

Morris Jones  
January 23, 2019  
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Please indicate your acceptance by signing this letter and returning it to our Legal Finance Support Group at the address below:

Pacific Gas and Electric Company  
Attn: Legal Finance Support Group  
P. O. Box 7133  
San Francisco, CA 94120-7133

Very truly yours,



Charles Middlekauff  
Assistant General Counsel

I agree to and accept the terms of the engagement.

PriceWaterHouse Coopers LLP

By \_\_\_\_\_

Date: \_\_\_\_\_

**Statement of Work  
Pacific Gas and Electric Company  
2020 GRC Regulatory Support**

This Statement of Work (SOW) outlines the engagement between Pacific Gas and Electric Company ("PG&E" or "Client") and PricewaterhouseCoopers LLP ("PwC" or "Consultant") to perform the services described below.

**1.0 BACKGROUND**

PG&E will file their General Rate Case (GRC) in late 2018 and is requesting general support as the GRC moves into the next phases including discovery, rebuttal, hearings and post-hearings.

**2.0 CONTRACT TERM**

This Contract Work Authorization shall commence upon signature by both parties and extend through December 31, 2019 unless extended by a subsequent change order to this SOW.

**3.0 WORK LOCATION**

Consultant shall perform services at one or more of the following locations: PG&E offices located at 77 Beale St, 245 Market St. San Francisco or Bishop Ranch, San Ramon and Consultant's primary place of business located at 3 Embarcadero Center, San Francisco, or any other locations approved by PG&E.

**4.0 PROJECT SCOPE**

Consultant shall provide assistance related to PG&E's GRC including but not limited to:

[REDACTED]

and providing additional assistance as mutually agreed with the PG&E GRC management team.

**5.0 Deliverables**

PwC will prepare written deliverables as directed by the GRC project management team (PMT) under this SOW. All Deliverables will be non-PwC branded, and will be prepared in draft for PG&E's review and approval prior to use by PG&E.

Deliverables also includes any oral advice we provide. By "advise" or "provide advice," PwC means that it will share its industry experience, subject-matter knowledge and/or knowledge of current industry practices for PG&E's consideration in addressing PG&E's objectives and/or PwC will provide subject-matter advice in response to queries from PG&E management or based upon observations of PG&E's efforts.

**6.0 KEY ASSUMPTIONS**

To be successful, this project must be conducted with PG&E's active participation. PG&E will be responsible for providing:

A PG&E Work Supervisor to assist with:

- Secure access to key data and systems as required for the work performed;

[REDACTED]



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- Timely access to project team members and other personnel as needed.

Any scope changes to Deliverables will be discussed and prioritized with the designated PG&E Work Supervisor lead as needed.

Consultant shall not be obligated to add to, modify, or otherwise change this statement of work unless such Scope Changes are mutually agreed to between Consultant and PG&E.

In the event that PG&E proposes a Scope Change, Consultant and PG&E, in good faith, will discuss and document the recommended changes at their earliest opportunity. If such Scope Change is agreed to by Consultant, the Parties will generate and execute a mutually agreed-to SOW Change Order in compliance with PG&E Sourcing policies, forms, and processes. A SOW Change Order will outline the specific Scope Changes, including cost and scheduling impacts due to the Scope Change.

## **7.0 TEAM/RESOURCE DESCRIPTION**

The key Consultant team members and roles are described below:

- Reza Jenab, Principal, will be responsible for confirming adherence to all contract requirements and overall quality control.
- Cynthia Lorie, Director, will be responsible for managing the activities of the project staff and developing Deliverables.

## **8.0 PG&E ROLE AND RESPONSIBILITIES**

During the term of this project, Consultant will work in collaboration and at the direction of the designated PG&E Work Supervisor. The Consultant Team will meet with the designated PG&E Work Supervisor as appropriate to discuss status and open issues arising from the Services, Consultant's progress reports and/or reports identified as Deliverables in this project, Consultant's resource utilization and staffing mix, adherence (or changes) to Deliverables and project plan, as well as any requests for scope changes. PG&E shall also provide executive sponsor input and oversight as requested by the PG&E Work Supervisor with input from the Consultant Team.

PG&E will be solely responsible for any and all communications required with PG&E's federal and state regulators and/or independent monitor(s) relating to these Services and Deliverables. PwC is not being engaged to interact or meet with third parties, including but not limited to PG&E's regulators and/or independent monitor(s).

## **9.0 PROFESSIONAL FEES AND EXPENSES**

Consultant's labor fees for this project are based on the time required by professionals to complete the engagement. Individual hourly rates vary according to the experience and skill required.

It is our understanding that the amount of support you may need may change over the life of the engagement. Therefore, we are providing you with a range of estimated monthly staffing

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and pricing options as shown in Table 1 below. The cost drivers are: 1) the amount of Director (Cynthia Lorie) time per month and the number of staff (ranging from 1-3).

Table 1: Estimated Fees per Month, 3 Options

		Cost per Month		
		1 Staff	2 Staff	3 Staff
Option 1: Director 25%	Fees (including 5% Discount)	\$ 70,755	\$ 121,699	\$ 172,643
	Expenses (5% of Undiscounted Fees)	\$ 3,724	\$ 6,405	\$ 9,086
	Total	\$ 74,479	\$ 128,104	\$ 181,729
Option 2: Director 50%	Fees (including 5% Discount)	\$ 87,954	\$ 138,898	\$ 189,842
	Expenses (5% of Undiscounted Fees)	\$ 4,629	\$ 7,310	\$ 9,992
	Total	\$ 92,583	\$ 146,208	\$ 199,833
Option 3: Director 75%	Fees (including 5% Discount)	\$ 105,153	\$ 156,097	\$ 207,041
	Expenses (5% of Undiscounted Fees)	\$ 5,534	\$ 8,216	\$ 10,897
	Total	\$ 110,688	\$ 164,313	\$ 217,938

Our fee estimate uses the discounted fees included in our Master Services Agreement and also includes a 5% no-bid discount.

Depending on when, or if, you identify the need for additional staff the estimated engagement fees would change.

The estimate for expenses is not to exceed 5% of fees.

#### 10.0 THIRD PARTY INDEMNIFICATION

You shall indemnify and hold PwC and the Beneficiaries (defined in "Other PricewaterhouseCoopers Firms and Subcontractors" below) harmless from and against any and all third party claims, losses, liabilities, and damages arising from or relating to the Services or Deliverables under this engagement letter, except to the extent finally determined to have resulted from PwC's gross negligence or intentional misconduct relating to such Services and/or Deliverables.

#### 11.0 OTHER ITEMS

The Services performed under this Contract Work Authorization will be performed in accordance with the AICPA's Standards for Consulting Services. Accordingly, we will not provide an audit or attest opinion or other form of assurance, and we will not verify or audit any information provided to us.

This agreement shall be governed by Master Services Agreement 4400007079 between Consultant and PG&E. Consultant is owned by professionals who hold CPA licenses as well as by professionals who are not licensed CPAs. Depending on the nature of the services we provide, non-CPA owners may be involved in providing services to you now or in the future.

At the onset of this project, Consultant will prepare a project schedule and work breakdown. This schedule will include all Consultant project management activities, Deliverables, and

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key interdependencies. The schedule and Deliverables will be subject to the specification and approval of the PG&E Work Supervisor.

If PwC is requested or authorized by PG&E or required by government regulation, regulatory agency, subpoena, or other legal process to produce PwC's Deliverables, working papers or personnel for testimony or interview with respect to services PwC performed for PG&E, PG&E will reimburse PwC for PwC's and its counsels' expenses and professional time incurred in responding to such a request.

**12.0 ATTORNEY CLIENT PRIVILEGE**

All Deliverables under this Contract Work Authorization shall be provided to PG&E's Law Department. It is PwC's understanding that PG&E may seek to have the attorney work product doctrine, attorney-client or other privilege apply to some or all of the Services and Deliverables. PG&E and PG&E Legal are solely responsible for determining whether or not the attorney work product doctrine, attorney-client or other privilege may apply and also solely responsible for managing the establishment and maintenance of any such privilege or protection. PwC makes no representation as to whether the attorney work product doctrine or the attorney-client privilege will apply, as the applicability of the doctrine and privilege are legal questions. However, PwC agrees to assist PG&E and PG&E Legal in preserving the confidentiality of the information received or provided in connection with the Services contemplated herein in a manner consistent with preserving an attorney-client privilege.

PwC is not providing legal advice or legal opinions in this engagement. PG&E should obtain such advice or opinions from its attorneys.

**PG&E and Consultant Work Supervisor Name, Number, and Email Address**

PG&E Work Supervisor:	Consultant Work Supervisor:
TBD	Cynthia Lorie
TBD	(415) 498-7335
TBD	cynthia.l.lorie@pwc.com